

## **ABSTRACT**

**[0072]** The present invention is a system and method for managing returnable containers according to a manufacturer's production schedule. It provides capabilities to move and adjust container inventory throughout the entire parts supply chain. Movements of the containers are tracked to ensure each supplier has at all times a physical inventory of containers that is adequate to ship parts in a timely manner to the manufacturer's facilities. Container movement is controlled through the use of process flows and their relationship with physical locations called "inventory holding areas." An inventory holding area reflects the quantity of containers that are held within that portion of the supply chain. Each of these portions is represented by an "inventory holding area type." The system and method operate based on the function of the inventory holding area types and the relationships between each other.